

Wiltshire College & University Centre

Consolidated Members' Report and Financial Statements
for the Year Ended 31 July 2023

Key Management Personnel, Board of Governors and Professional advisers

Key management personnel

Key management personnel are defined as members of the College's Senior Leadership Group and were represented by the following in 2022/23:

Iain Hatt	Principal and CEO; Accounting Officer
Oliver Symons	Deputy Principal Curriculum and Quality
Steve Campion	Deputy Principal Corporate Resources

Board of Governors

A full list of Governors is given on page 18 of these financial statements.

Mrs H Cross, FCG acted as Governance Advisor and Clerk to the Corporation throughout the period.

Professional advisers

Financial statements and regularity auditors:	Bishop Fleming LLP Salt Quay House 4 North East Quay Sutton Harbour Plymouth Devon PL4 0BN
---	--

Internal auditors:	TIAA Ltd Fort Fareham Newgate Lane Fareham PO14 1AH
--------------------	---

Bankers:	Lloyds Banking Group Canons House Canons Way Bristol BS99 7LB
----------	---

Solicitors:	Shakespeare Martineau LLP No 1 Colmore Square Birmingham B4 6AA
-------------	--

Contents

Principal's Review	3
Report of the Governing Body	6
Statement of Corporate Governance and Internal Control	17
Statement of Regularity, Propriety and Compliance	24
Statement of the responsibilities of the members of the Corporation	25
Consolidated Statements of Comprehensive Income and Expenditure	33
Consolidated Statements of Changes in Reserves	34
Consolidated and College Balance Sheets as of 31 July 2023	35
Consolidated Statement of Cash Flows	36
Notes to the Financial Statements	37

Principal's Review

Our Mission

To be recognised as an outstanding College, loved by our students, employees and communities.

Our Values

- Respectful
- Collaborative
- Curious

Our Five Strategic Themes are as follows:

- Excellence and Aspiration.
- Inclusivity and Student Experience.
- People and Culture.
- Community and Partnerships.
- Growth and Productivity.

Wiltshire College & University Centre launched a 5-year Strategic Plan in 2022 which is based on the five strategic themes above as well as being underpinned by a focus on Sustainability, Digital Excellence, Equity, Diversity and Inclusion.

The Strategic Plan is closely aligned to local economic priorities previously outlined in the Swindon and Wiltshire Local Enterprise Partnership's Strategic Plan (2016), subsequently replaced by the Local Industrial Strategy in 2020. The College is also at the centre of the Swindon & Wiltshire Local Skills Improvement Plan (LSIP) produced by Business West after extensive consultation and approved in 2023.

The five sector priorities have been identified as:

- Advanced Manufacture and Engineering
- Construction
- Healthcare & Life Sciences
- Agriculture, Farming, Pre-gate food production, Agri-Tech, and Land Management.
- Automotive Industries

Ofsted

The College successfully achieved a good Ofsted grade in a full inspection in November 2022 in line with the College's self-assessment for 2021/22.

The College has an excellent reputation in the region and is well engaged with all key stakeholders. The College is recognised as an important driver of economic growth by Wiltshire Council, the Local Enterprise Partnership (LEP) and Business West (our employer representative body).

Capital Projects

The College has continued to invest in resources to support its strategic aims. During 2022/23 and 2023/24 contractors are working on a £7.5m Capital Transformation Fund project, to complete the refurbishment of our Salisbury campus, supported by the DFE and the Swindon and Wiltshire LEP. In addition, at the start of 2022/23 we completed the first phase of T Level Capital Works (Wave 3), with £4.6m spent on delivery of new facilities and equipment for the introduction of T Levels in Engineering, Digital, Health and Science. In July 2023, we were also awarded a further £2.5m to deliver a healthcare zone at our Salisbury campus and an Agri-Business centre at our Lackham campus.

Foundations for growth

Wiltshire College & University Centre is a large provider of Further and Higher Education in Wiltshire with its four main campuses across the county at Chippenham, Trowbridge, Lackham, and Salisbury, as well as two smaller sites in Castle Combe and Corsham. The main campuses are spread geographically with over 50 miles between Chippenham and Salisbury. The Lackham campus includes an estate of over 500 acres and a range of land-based enterprises including a farm and a specialist animal centre. The specialist centre based at Castle Combe race circuit offers a motorsport engineering degree.

Swindon and Wiltshire is an area of major economic significance, attracting substantial overseas and UK investment. Its pivotal location in central southern England offers direct links to London, Heathrow, Oxford, Bristol, Cardiff, the Midlands and beyond. Over 30,000 businesses thrive in the area generating £18.3bn. 61% of the 703,000 population (one of the fastest growing in the country) are of working age, 39% of whom are qualified to NVQ4, or above which is above the national average.

Swindon and Wiltshire Local Enterprise Partnership (LEP) Local Industrial Strategy (LIS) 2020

The LIS identified three Growth Zones where there are currently large clusters of economic activity and where there is the greatest capacity for supporting sustainable growth in the future:

- Zone 1: Swindon M4 Zone (positively impacts on the Chippenham campus)
- Zone 2: A350 Zone (positively impacts on the Chippenham, Lackham and Trowbridge campuses)
- Zone 3: Salisbury A303 Zone (positively impacts on the Salisbury campus)

The College was fully engaged in the development of the Local Industrial Strategy, the Principal sat on the SWLEP Task and Finish Group. The Principal has been appointed to the LEP board from the start of 2024. In addition, the College is a key Stakeholder in the Wiltshire Shared Prosperity Fund, with the Principal on the steering committee as well as having a presence on Salisbury, Trowbridge and Chippenham Place Boards.

Adult Education Budget

The College delivered £4.5m of Adult Education Budget provision during 2022/23. The College subcontracted £1.9m of this, the College continued to focus subcontracting on local and sustainable delivery partnerships resulting in a high proportion of subcontracting being delivered within Wiltshire, surrounding counties and the Southwest region. The College continues to reduce its subcontracting in line with ESFA requirements.

Higher Level Skills

Higher Education Income totalled £1.7m in 2022/23 and amounted to 4.5% of the College's total income. The College also receives income from other higher-level skills courses, including apprenticeships. The College works in partnership with Bournemouth University, Oxford Brookes University and Pearson to deliver and increase higher skills provision.

New higher skills provision continues to be introduced to serve the needs of locally resident students and employers, with over 500 students studying towards a higher education qualification in 2022/23.

The level 4 to 6 provision includes foundation degrees, honours degrees, degree and higher-level Apprenticeships and Higher Nationals in Business, Computing, Engineering, Motorsport Engineering, Sport, Criminal Justice, Social Work, Early Years, Health and Social Care, Animal Science, Agriculture, Photography, Film Production and Cinematography.

The College's Higher Level Skills Curriculum Strategy is aligned very closely to the College's Strategic Plan priorities and there is growth in higher education planned in line with higher level skills gaps in the region, which are constraining productivity and growth. The College has, in recent years, closed a number of traditional degree programmes and introduced more higher-level apprenticeships in their place in line with student and employer demand.

Work with Employers

During the 2022/23 academic year, the College had over 1,800 apprentices on programme with over 900 different employers.

The College operates much of its outward-facing work with employers through its Business Development department. The remit of the Business Development department includes apprenticeships, work-based learning, work and industry placements, adult learning, commercial full cost training and projects.

The College's joint venture company with Bridgwater and Taunton College, The Colleges' Partnership Ltd, specialises in the delivery of apprenticeships in the armed forces around the UK and overseas. The company has again delivered an operating profit during 2022/23.

Apprenticeships

The Apprenticeship provision is delivered to students at ages 16-18, 19-24, and 25+ across a broad range of subject areas.

New apprenticeship programmes are developed in a range of subject areas including at higher and degree level. All programmes are clearly planned, as part of the integrated curriculum planning and budgeting process, based on target student numbers, duration, content, and resources, to provide certainty of income and cost, as well as clear expectations for learners and employers.

Employer engagement continues to be strong and improving. The portfolio of Apprenticeships offered is closely aligned to skills shortages, job growth and Local Enterprise Partnership (LEP) and LSIP priorities.

Partnership subcontracting programme

All subcontractors are awarded a contract annually with schedules containing the quality, audit, monitoring and payment arrangements. Support provided by the College is detailed in the published Subcontractor Policy.

Contract management of subcontractors is good. A dedicated team undertake the effective management of subcontractors and there are strong links to the College's quality team. All providers receive regular contract meetings, quality audit (including teaching observation) and attend partnership events.

Audit and payment mechanisms are comprehensive and robust. Outcomes for all subcontracted provision remain high and above national average achievement rates. A 100% audit policy ensures that funding claimed is accurate and supported by the necessary evidence.

Report of the Governing Body

NATURE, OBJECTIVES AND STRATEGIES

The members present their report and the audited financial statements for the year ended 31 July 2023.

Legal status

Wiltshire College & University Centre Corporation has its powers from the Further and Higher Education Act 1992, with its principal powers being to provide further and higher education, to provide specified secondary education and to supply goods or services in connection with providing education. The College is a charity within the meaning of Part 3 of the Charities Act 2011.

Vision

Our vision is to build on our strong technical and vocational skills background to create an inclusive, student-centred learning environment where everyone can fulfil their potential. We will do this by providing accessible education programmes that create highly-skilled, employable, imaginative and empowered people.

Mission

Our mission is to be recognised as an outstanding College, loved by our students, employees and communities.

In setting the College's mission and objectives, the Corporation is mindful of its responsibility to ensure public value and benefit and has considered the advice of the Association of Colleges and the Charity Commission. The College's values are founded on a purpose to meet the needs of its learners and the community. Governors are aware of their duties to deploy public money for the benefit of all who may wish to take up the opportunities the College offers. Throughout this report, there is strong evidence of the College's successes in providing value to its community.

Public Benefit

Wiltshire College & University Centre is an exempt charity under the Part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. The members of the Governing Body, who are trustees of the charity, are disclosed on page 18. In setting and reviewing the College's strategic objectives, the Governing Body has had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education. The guidance sets out the requirement that all organisations wishing to be recognised as charities must demonstrate, explicitly, that their aims are for the public benefit. In delivering its mission, the College provides identifiable public benefits through the advancement of education, including:

- High quality teaching and learning for young people and adults in Wiltshire and elsewhere

- Widening participation in education and helping tackle social exclusion
- A track record of student progression to further qualifications and employment
- Employer engagement and delivery of local skills needs, including those identified by Swindon and Wiltshire Local Enterprise Partnership

Transparency arrangements

The Governing Body's arrangements are such that regular meetings of the Corporation are held where all key strategic matters are considered by the whole governing body. An Audit Committee and a Remuneration Committee are retained to provide further opportunity for scrutiny a Finance and Resources Committee and a Quality and Standards Committee operate.

Implementation of the Strategic Plan

The College launched a new 5 year strategic plan in September 22 to take the College forward for the next five years aligned to the appointment of our new Principal, Mr Iain Hatt.

The Strategic Plan is closely aligned to local economic priorities as outlined in the Local Industrial Strategy (2020). and the more recently published Local Skills Improvement Plan for Swindon and Wiltshire, led by Business West.

Performance Indicators

The Board receives regular updates from the Senior Leadership Group in the form of a 'Balanced Scorecard' against the objectives and agreed Key Performance Indicators, which measure progress against key themes identified in the strategic plan. These include, but are not restricted to, the following areas:

- Curriculum: staff utilisation; attendance; class sizes
- Quality: recruitment and retention
- Financial: contract performance for 16-18, Adults and Apprenticeships, financial projects, cash generation, financial results.

The Board also receives and reviews information on the following key areas of performance:

- Employer: market penetration, engagement levels, contribution rates, contract performance, employer satisfaction and timely success rates;
- Economic Growth: Apprenticeship starts, Higher Education enrolments;
- People: establishment full time equivalent staff (FTE), diversity, sickness absence, staff turnover, part time staffing and appraisal completion
- General: Safeguarding, satisfaction for learners and staff, feedback, exclusions, learner and staff diversity (ethnicity and disability), health and safety.

FINANCIAL POSITION

Financial objectives

The Governing Body agreed financial objectives as part of the budget setting process for 2022/23. These objectives were met in year as follows:

Financial Objectives 2022/23	2022/23 Actual	2022/23 Target
1. To sustain at least Good Financial Health, as categorised by the ESFA.	Good	Good
2. To maintain a strong retained cash position. Minimum year end cash reserves of £2m (£1m minimum at any point in year) Including Inv Fund	10,131	2,000
3. To maintain liquidity to meet short term requirements.		
• Minimum cash days in hand > 25 (all months) Exc Investment Fund	53	> 25
4. Debt Service Ratio > 1.3	2.9	1.3
5. Adjusted Operating Surplus (as a % of income) > 1%	2.0%	> 1%
6. To continue to grow group income in line with strategic objectives. Annual Income > £38.5m	37.9m	38.5m

Financial results

The College's operating surplus on continuing activities for 2022/23 was £718k. Group income was slightly below target at £37.9m. Income is dominated by our 16 to 19 allocation at just over £21m. Adult funding income remained a challenge for the college with low take up in some areas, and consequently delivery below budget across direct and subcontracted delivery. Overall, the college continued to maintain its path of financial recovery with actual staff costs of £24.1m. This included a 2.5% pay award from August 22 and a further 1.75% pay award from November 22. Non-pay costs for the year were £500k favourable to budget most of which was directly related to the reduction in income while the remainder was due to a less than anticipated impact of inflation, particularly on utilities. The College's joint venture, The Colleges' Partnership Ltd (TCP), jointly owned with Bridgwater and Taunton College returned a financial year negative variance of £481k as the operating environment has remained challenging throughout the year. The College's cash position exceeded expectations due to the combined effects of overall financial performance and additional government grant funding towards capital projects. The ESFA health grade for 2022/23 is self-assessed as Good.

The table below reconciles the financial statements to the operating surplus for the year.

	2023 College	2022 College
Statutory accounts surplus/(deficit)	111	(961)
Pension charge: service cost (included in staff costs)	2,646	5,019
Pension charge: employers contributions (included in staff costs)	(2,313)	(2,132)
Pension interest (included in net interest payable)	274	636
Underlying surplus/(deficit)	718	2,562

Total comprehensive expenditure/income of £8,399k (2021/22: (£34,177k)) is after charging actuarial adjustments in the respect of pension schemes and other provisions of £8,288k (2021/22: (£33,216k)). Excluding the net pension liability (which is zero), net assets are £19,241k (2021/22 £18,499k). This includes an unrecognised pension surplus of £7,497k increasing our net asset/liability position from an asset of £7,497k to zero (£0k).

At the year end the College's cash balance was £10,139k (2021/22 £8908k) in part reflecting cash received from the LEP and ONS reclassification grants received in advance of construction expenditure. In year capital expenditure was £5,320k, mainly expenditure on the large condition improvement project at Salisbury, funded by the DFE, with an additional contribution from the LEP and T-Level expenditure funded by the DFE. The College has significant reliance on education sector funding bodies, largely from recurrent grants.

Reserves

The College has no formal Reserves Policy but recognises the importance of reserves in the financial stability of any organisation and ensures that there are adequate reserves to support the College's core activities. The College reserves include £nil (2021/22: £nil) held as restricted reserves. It is the corporation's intention to increase reserves over time through the generation of annual operating surpluses. A new Reserves Policy is planned for 2023/24.

Group Companies

Lackham WCUC Ltd

The College has one wholly owned subsidiary company, which was registered on the 25th April 2022, it is a private company limited by guarantee. The object for which the Company is established is to acquire, hold, manage and administer the Property either on its own account or as trustee, nominee or agent of any other company or person and to develop, sell, lease, accept, surrender or dispose of or otherwise deal with all or any part of such Property and any and all rights of the Company in such Property.

Joint venture company

The Colleges' Partnership Ltd

The company is a joint venture and is governed equally by Wiltshire College & University Centre and Bridgwater & Taunton College, it is a company limited by guarantee and is recognised by HMRC as a charity for tax purposes. Payments are distributed evenly between the two partner colleges and the accounting period is in line with the College as 31st July 2023. In 2022/23 it generated a surplus of £25k (2021/22 £25k). Full accounts outlining the performance of the joint venture are available via Companies House for The Colleges' Partnership Ltd.

Student numbers

In 2022/23, the College delivered activity that has produced some £32,492k in funding body grants (2021/22: £30,944k). The College had approximately 9,890 funded, 1,614 non-funded & 303 HE students in 2022/23.

Outcomes for Student and Success Rates

The impact of the curriculum successfully supports a high level of well rounded, knowledgeable, and appropriately skilled students who are able to progress onto further study and employment.

In 2022/23, the College offered courses in most subject sector areas, with students attending the main four campuses. The majority of full-time students are aged 16-18 and enrolled on education and training

vocational study programmes. Adult students are mostly studying vocational and foundation programmes at level 1 and 2. In 2022/23, the College has seen an increase of High Needs students studying full time and part time and this rise is continuing.

The overall achievement rate (excluding English and maths) for our young people has increased from 75.9% to 76.3%, this is also the case for our adult provision which has increased by 1.1% to 85.4%. 2022/23 was the first academic year since Covid where there was no grading protection in place.

Apprenticeship achievement rates have decreased by 0.6% compared to last academic year to 63.0% which is still above the National Average.

The College Curriculum

The curriculum intent delivers the skills, knowledge and behaviours required by students to successfully prepare them for their next stage in education, training, or employment. The curriculum reflects the national, regional and local context and has been reviewed and shaped to deliver our mission statement. A new curriculum strategy has been launched in line with the 2022 to 2027 strategic plan.

The College was subject to an Enhanced Further Education and Skills Inspection in November 2022. This highlighted significant strengths and endorsed how well the organisation knows its own strengths and areas for development. The College was graded Good overall with all key judgements also Good; Quality of Education, Behaviours & Attitudes, Personal Development and Leadership & Management. Education Programmes for Young People, Adult provision and Apprenticeships were also graded Good with the provision for High Needs learners judged to require improvement in line with the college's own self-assessment.

The College has an extensive curriculum offer, both in terms of subject choice and level and includes courses in all sector subject areas. The largest vocational subject areas are Creative Arts, Health and Life Sciences, Construction and Animal Care and Management. Apprenticeships and workplace learning are offered, the largest areas being Engineering and Construction.

Suitable progression routes and appropriate career opportunities are at the centre of the College curriculum offer. Innovative full and part time curriculum planning is ongoing throughout the academic year. Local and national market intelligence are used to drive this process, alongside key feedback from Wiltshire Council on local employment demands as new businesses move to the area, and College led employer engagement forums to identify current and future job opportunities. The college contributed to and is now delivering, through its Accountability Statement, the new Local Skills Improvement Plan (LSIP) for Swindon and Wiltshire.

Progression onto higher-level courses at the College is very good in all curriculum areas. Students are supported to identify appropriate progression onto a higher-level course or into related employment from their first tutorial. This is reviewed during the year and forms a key focus of the personal development programme.

The College marketing strategy ensures that the College provides the right information in the preferred format to as many people as possible. Our core marketing presence is supported by a proactive Business Development team, who generate new and repeat employer business, whilst student recruitment and school liaison teams engage individuals, parents and education providers.

The College offers a broad apprenticeship programme with students at each of the four campuses undertaking a diverse range of programmes in engineering, plumbing, construction, automotive, health and social care, childcare, horticulture, agriculture, hairdressing, business administration, customer service and creative industries. The portfolio of apprenticeships offered is closely aligned to fill skills shortages, encourage job growth, and meet local enterprise priorities. The College had over 560 new apprenticeship starts in the academic year 2022/23.

Adult learning delivery offers a range of courses suited to meet the requirements of adult students who are looking to improve their current employment situation, and gain valuable skills and self-confidence, which helps them find work or to be successful in their current job.

These courses can also improve their health and wellbeing. Community learning is non accredited part-time learning, but most of the courses are progressive, which enables the learners to work their way up to more challenging levels of ability, allowing them to achieve the skills they require for further study or employment.

The annual curriculum planning process is focused on the curriculum intent and maximising progression opportunities for all students and has a requirement for employer engagement in the curriculum. The curriculum planning process was further strengthened in 2022/23 to integrate financial and curriculum elements more fully. In addition to the curriculum planning process, cross College systems have been developed to ensure the strong curriculum intent of the College is maintained.

College senior managers attend local school partnership meetings across Wiltshire, working in collaboration with Headteachers to represent the College and influence future curriculum changes. The curriculum offer is reviewed regularly to ensure appropriate progression routes exist and to look at new developments such as T-Levels.

Curriculum Quality Assurance

The College has established a clear culture of critical self-assessment through highly effective leadership and management, a rigorous approach to quality enhancement and employs a range of well-established processes and opportunities to capture and record student feedback over time.

The College's approach has been to support reflective enquiry and practice, embedded through robust self-assessment and quality improvement processes. College-wide commitment to quality assurance continues to be an integral element of performance management.

Self-assessment is very well established and highly effective. It involves all staff and governors in a staged process throughout the academic year and takes account of a variety of stakeholder views as an integral part of the College's quality cycle. Comprehensive moderation ensures that self-assessment remains rigorous and robust.

Following self-assessment, quality improvement plans (QIP) are produced, outlining challenging targets and key actions which are closely monitored throughout the year. Governors have a firm grasp of the College's strengths and areas for improvement because of their participation in the SAR process and subsequent regular monitoring of the College QIP.

A comprehensive strategic planning process takes place annually. This process includes governors, the senior leadership team, and key managers and focuses on outcomes of self-assessment, analysis of legislative frameworks and national trends, which supports the update and identification of key strategic

aims. The setting of demanding expectations across the College, together with an expectation of high standards, is a priority for all.

Future developments

The college developed a new 5 year estate strategy during 2021/22, aligning to the new strategic plan for the same period of 2022 to 2027. Phase 1 of the strategy includes the completion of a £7.5m project at Salisbury under the Further Education Capital Transformation Fund (FECTF). This will be undertaken during 2022/23 and 2023/24. The college also commenced projects delivering £4m of investment in T level facilities at our Lackham, Trowbridge and Salisbury campuses. These projects were started at the end of the 21/22 academic year for completion over the summer of 2022.

As part of the overall college estate strategy, the Board have requested separate strategies for our Trowbridge and Lackham sites. This work was commenced during 2022/23 with the appointment of new project managers and estates advisers. This work will culminate during 2023/24 and provide a framework for future investments and disposals where appropriate.

Our long-term estate strategy, combined with the College's continued strong reputation in the community and with employers, is expected to further support student growth and curriculum delivery in coming years. The expansion of facilities for higher level learning will support an important element of the College's strategy, alongside a growing higher-level curriculum offer. Wiltshire is also in a period of ongoing housing growth and rising student demographics are expected to support the College's future recruitment after several years of declining population amongst the 16-19 cohort. The College continues to demonstrate strong academic achievement and commenced the delivery of T-levels from September 2022

The College has continued its financial recovery since the pandemic. Financial performance has again been above the targets set in the recovery plan, with the College being classified as Good for Financial Health based on 2022/23 performance. The college continues to balance income growth, with pay awards and non-pay inflation in delivering a small surplus each year.

Going Concern

The activities of the College, together with the factors likely to affect its future development and performance are set out in the Members Report. The financial position of the College, its cash flow, liquidity and borrowings are presented in the Financial Statements and accompanying notes.

The Board of Governors considers that the College has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Resources

The College has various resources that it can deploy in pursuit of its strategic objectives.

Financial

As of 31 July 2023, the College had net assets of £19,241k (2021/22: £18,499k) with a pension liability of £nil (2021/22: £7,658k).

People

The College employs 658 people, equating to 562 full time equivalents, of whom 356 are teaching staff. Many non-teaching staff perform significant roles closely connected to teaching and learning such as Additional Learner Support, technicians, salon managers etc. These employees support lecturers and trainer assessors, and they have a considerable positive impact on the learning environment.

Reputation

The College has a good reputation locally and nationally, which continues to develop and improve based on a successful Ofsted inspection during 2022/23. Maintaining a quality brand is essential for the College's success in attracting students and external relationships.

PRINCIPAL RISKS AND UNCERTAINTIES

A risk register is maintained at College level which is reviewed at all meetings of the Audit Committee and meetings of the full Corporation. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the College, the College's risk appetite, and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system. The risk register is also considered at regular meetings of the College's Senior Leadership Team prior to being brought to Audit Committee.

Outlined below is a description of the principal risk factors that affect the College. Not all the factors are within the College's control. Other factors besides those listed below may also adversely affect the College.

1. Student Recruitment – Ensuring that the college continues to grow and take advantage of the demographic upturn. The risk is increased competition from 6th forms and neighbouring colleges, mitigated by strong and targeted marketing campaigns.
2. Introduction of T levels – the risk of low recruitment of students in the relevant curriculum areas continues. This is mitigated by continual promotion and marketing of courses as well as improving understanding of T levels to prospective students and parents. This continues to be a national challenge.
3. Adult (AEB) delivery and income – WCUC has not met the 97% funding threshold for delivery in this area, and has again been subject to clawback again. A revised strategy and increased internal delivery is a focus for the college in 2023/24, taking into account the limited opportunity for growth within Wiltshire.
4. Workforce capability and motivation – Recruitment, retention and training of staff remains challenging in the current climate. The college has increased its staff development budget and introduced a new benefits package for staff.
5. Apprenticeship Income – the college's delivery did not recover as expected during 2022/23 in what is a competitive local market. The college has now addressed this with the appointment of a new Director of Business Development to drive improved performance.

Stakeholder Relationships

In line with other Colleges and Universities, Wiltshire College & University Centre has many stakeholders. These include:

- Learners;
- Education Sector Funding bodies;
- Staff;
- Local employers (with specific links);
- Local Authorities;
- Government Offices/LEPs/LSIP partners;
- The local community;
- Other FE institutions;
- Trade unions;
- Professional bodies.

The College recognises the importance of these relationships and engages in regular communication with them.

The Governance Advisor & Clerk to the Corporation maintains a register of financial and personal interests of the governors. The register is available for inspection by contacting the Clerk, contact details on the College website.

Equality, Diversity & Inclusion (EDI)

Our aspiration is for Wiltshire College and University Centre to be fully representative of its communities and we are striving to build a diverse workforce in which all individuals feel positively included and can flourish. This approach to equality, diversity and inclusion will help us better understand the challenges that face under-represented groups. We want to remove any barriers where they exist and are committed to building the confidence of our staff and students through this better understanding.

The College has published its Public Sector Equality Duty objectives on our website and launched our People Strategy in March 2023 with EDI woven throughout each theme. A strategic EDI group meet regularly throughout the year to review and monitor the accompanying action plan. The College publishes its annual gender pay gap report on its website on our dedicated EDI page.

The College is a Disability Confident Employer which means we are committed to offering a guaranteed interview to candidates with disabilities who meet the minimum essential criteria for the role and supporting them throughout their employment with us.

All staff undertake EDI training as part of their induction when they join the College and attend training and development sessions throughout the year on Staff Development days. The College is committed to the wellbeing of all its staff, a wellbeing plan has been developed based on the Department for Education Wellbeing Charter which the College has signed up to. A review of the staff benefits offer has taken place and staff now have access to new wellbeing benefits. All staff and their families also have access to the College's Employee Assistance Programme (EAP) to access advice as needed.

The College's Equality, Diversity, and Inclusion Policy is implemented and monitored on a planned basis and published on the College's website.

Environmental Statement

The College seeks to continuously improve and promote environmental sustainability across infrastructure, operations, and curriculum. It has adopted an environmental sustainability policy which aims to:

- Reduce energy and carbon emissions, and encourage energy and water efficient practices
- Support staff and students to develop the knowledge and skills required to adopt environmentally sustainable behaviours
- Reduce, Reuse and Recycle to minimise waste and maximise resources
- Reduce emissions and travel miles by encouraging sustainable travel by staff, students, and visitors
- Embed sustainable procurement decisions
- Encourage sustainable approaches to construction, refurbishment, and maintenance projects
- Promote biological diversity across all campuses

The College is developing systems to enable it to monitor and report against key environmental performance indicators in the future. The Board has now set a Net Zero Target of delivery by 2040 and has adopted the AOC's Climate Action Roadmap to achieve these. A sustainability committee has now been relaunched since the pandemic, and sustainability is a key theme of the new strategic plan.

Trade union facility time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the college to publish information on facility time arrangements for trade union officials at the college.

Number of employees who were trade union officials during the relevant period	Full time equivalent employee number
10	8

Percentage of time	Number of employees
0%	2
1% - 50%	8
51% - 99%	0
100%	0

Total cost of facility time	£12,944
Percentage of the total pay bill spent on facility time	0.06%

Disclosure of Information to Auditors

The members who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the College's auditors are unaware; and each member has taken all the steps that he or she ought to have taken to be aware of any relevant audit information and to establish that the College's auditors are aware of that information.

Approved by order of the members of the Corporation on the 14 December 2023 and signed on its behalf by:


Chair

Statement of Corporate Governance and Internal Control

The following statement is provided to enable readers of the Members' Report and Financial Statements of the College to obtain a better understanding of its governance and legal structure. This statement covers the period from 1st August 2022 to 31st July 2023 and up to the date of approval of the annual report and financial statements.

The College endeavours to conduct its business:

1. In accordance with the seven principles identified by the Committee on Standards in Public Life (selflessness, integrity, objectivity, accountability, openness, honesty and leadership);
2. In full accordance with the guidance to colleges from the Association of Colleges in the Code of Good Governance for English Colleges, "the Code", which the Corporation has adopted.

The College is committed to exhibiting best practice in all aspects of corporate governance and in particular the College has adopted and complied with the Code. We have not adopted and therefore do not apply the UK Corporate Governance Code. However, we have reported on our Corporate Governance arrangements by drawing upon best practice available, including those aspects of the UK Corporate Governance Code we consider to be relevant to the further education sector and best practice.

In the opinion of the Governors, the College complies with all the provisions of the Code of Good Governance, and it has complied throughout the year ended 31 July 2022. The Governing Body recognises that, as a body entrusted with both public and private funds, it has a particular duty to always observe the highest standards of corporate governance. In carrying out its responsibilities, it takes full account of The Code of Good Governance for English Colleges which it formally adopted in summer 2015.

The College is an exempt charity within the meaning of Part 3 of the Charities Act 2011. The Governors, who are also the Trustees for the purposes of the Charities Act 2011, confirm that they have had due regard for the Charity Commission's guidance on public benefit and that the required statements appear elsewhere in these financial statements.

The Corporation

The members who served the Corporation during the year and up to the date of signature of this report were as follows:

Members of Corporation 2022/23						
Name	Date of Appointment	Term of Office	Date of Resignation	Status of Appointment	Committees Served	Attendance in 2022/23
Martin Clark	April 2015 and re-appointment April 2019 Chair from 1 August 2018	4 years (2 nd term)	31-Jul-23	External	Remuneration	100%
Harry Adam	Mar 2016 and reappointed March 2020 Chair of the Remuneration Committee	4 years (2 nd term)		External	Audit, Remuneration	63%
Clive Barker	01/09/2019 and reappointed Oct 23 Chair of Audit Committee	4 years		External	Audit	88%
Carlton Brand	Oct-18 and reappointed October 22 Vice-Chair 1 Aug 22- July 23 Chair from 1 August 2023 Chair Finance & Resources Committee	4 years (2nd Term)		External	F & R, Remuneration	91%
Iain Hatt	Sep-21	Ex-officio		Principal	F & R, Q & S	100%
Mags Patten	01/01/2019 and reappointed Feb 23	4 years (2nd term)		External	Quality & Standards	70%
Katie Walker	01/06/2020 Chair Quality & Standards Cttee	4 years		External	Quality & Standards	100%
Lily Raynor-Blundell	Nov-20	4 years		Staff	Audit	100%
Cathryn Giles	Jun-21	4 years		Staff	Quality & Standards	70%
Kayleigh Robinson	Sep-22	Duration as student	Mar-23	Student	Quality & Standards	80%
Ajay Nithyanathan	Nov-22	Duration as student		Student	Quality & Standards	75%
Jennifer Davies	Jan-21	4 years		External	F & R, Audit	85%
Daisy Agathine-Louise	Jan-22	4 years		External	Quality & Standards	80%
Philippa Gray	Jun-21	4 years		External	F & R	100%
Lucy Townsend	Sep-22	4 years		External	Quality & Standards	80%
Paul Fox	Jan-23	4 years		External	F & R	100%
Brian Humphreys	Jan-23	4 years		External	F & R	100%
Justin Purkis	Jan-23	4 years		External	Audit	100%

Heather Cross FCG acts as the Governance Adviser and Clerk to the Corporation. In addition to her duties with the College, she is a National Leader of Governance.

It is the Corporation's responsibility to bring independent judgement to bear on issues of strategy, performance, resources, and standards of conduct.

The Corporation is provided with regular and timely information on the overall financial performance of the College together with other information such as performance against funding targets, proposed capital expenditure, quality matters, and personnel related matters such as health and safety and environmental issues. The Corporation meets up to 6 times in the year. Minutes of all meetings, except those deemed to be confidential by the Corporation, are available on the College's website at www.wiltshire.ac.uk, or from the Governance Adviser & Clerk to the Corporation (contact details also on the website).

The Governance Adviser & Clerk to the Corporation maintains a register of financial and personal interests of the governors. The register is available for inspection through the Clerk.

All governors are able to take independent professional advice in furtherance of their duties at the College's expense and have access to the Clerk to the Corporation, who is responsible to the Board for ensuring that all applicable procedures and regulations are complied with. The appointment, evaluation, and removal of the Clerk are matters for the Corporation as a whole.

Formal agendas, papers, and reports are supplied to governors in a timely manner, prior to Board meetings. Briefings are also provided as required.

The Corporation has a strong and independent non-executive element and no individual or group dominates its decision making process. The Corporation considers that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement.

There is a clear division of responsibility in that the roles of the Chair of the Corporation and Accounting Officer of the College are separate.

Following the adoption of the recommendations of the Governance Working Party in Spring 22, Finance and Resources and Quality and Standards Committees have operated fully since Autumn term 22. The additional scope for scrutiny and delegation that these committees bring has been welcomed by governors.

Appointments to the Corporation and Governor training.

Any new appointments to the Corporation are a matter for the consideration of the Corporation as a whole. Appointments follow a recruitment and interview process. The position of Chair was advertised within the Board membership at the end of the 2022 calendar year, to take effect on 1 August 2023. There was one applicant and the current Vice-Chair was appointed and shadowed the Chair for the remainder of his term.

Members of the Corporation are appointed for a term of office not exceeding 4 years, renewable once to the maximum of 8 years to the end of the academic year in which that falls if the Board so determines, other than students, whose appointments run until the end of the students' course or their sabbatical year if so appointed.

All governors are provided with annual safeguarding training and updating. All new governors are provided with an induction programme. The ETF Governor Development Programme was made available online during the year. The Chair, having previously been enrolled in the third cohort of the ETF's Chairs' Development Programme, has continued to participate in an ongoing action learning set and other follow up activity. Other governors have attended AoC (Association of Colleges) governor webinars and new governors have enrolled in regional induction events. The Clerk attended virtually the AoC Governance Professionals conference; attended part of the AoC annual conference and took part in ETF/IoD training programmes to support her work as part of the Qualifications Committee for the FE Governance Professionals qualifications as well as other webinars for Governance Professionals. She also benefited from attending and chairing the AoC South West Governance Professionals termly meetings and the AoC National Governance Professionals Group where she is one of the Vice-Chairs.

Corporation Performance and self-evaluation

In Autumn 22 it was determined that the Governing Body should be subject to an external review, as required on a three yearly basis and Governance4FE was appointed, carrying out the review in Spring 23. The resulting report was received and all its recommendations for further improvement to the governance of the college were agreed, with an ongoing action plan put in place for the 23-24 year. The External Review report indicates "a governance function operating with considerable maturity [which] provides [an] effective contribution through the capability of its members, the work it carries out and the positive interactions within it and with the Executive team." An executive summary of the report is available on the governance section of the College website and this summarises the review's consideration of the Board's effectiveness and governance maturity across the areas of structures, relationships, enabling, alignment and team.

Remuneration Committee

Throughout the year ended 2022/23 the College's remuneration committee comprised three governors. The committee's responsibilities are to make recommendations to the Board on the remuneration and benefits of the Accounting Officer and other senior post holders. The College has adopted the Association of College's Senior Staff Remuneration Code. The Committee makes an annual statement to the Corporation of its work.

Details of remuneration for the year ended 31 July 2023 are set out in the financial statements.

Audit Committee

The Audit Committee comprises up to four members of the Corporation (who exclude the Accounting Officer and Chair). The Committee operates in accordance with written terms of reference approved by the Corporation. Its purpose is to advise the Corporation on the adequacy and effectiveness of the College's system of internal control and its arrangements for risk management, control, and governance processes.

The Audit Committee meets on a termly basis and provides a forum for reporting by the College's internal and financial statement auditors, who have access to the Committee for independent discussion, without the presence of College management. The Committee also receives and considers reports from the main FE funding bodies, as they affect the College's business.

The College's Internal Auditors operate in accordance with the requirements of the ESFA's Post-16 Audit Code of Practice. The Internal Auditors work is informed by an analysis of the risks to which the College is exposed, and the annual internal audit plans are based on this analysis. They monitor the College's systems of internal control, risk management controls, and governance processes in accordance with the agreed plan and reports their findings to management and the Audit Committee.

Management is responsible for the implementation of agreed recommendations and internal audit undertake periodic follow up reviews to ensure such recommendations have been implemented.

The Audit Committee also advises the Corporation on the appointment of internal and financial statements auditors and their remuneration for both audit and non-audit work as well as reporting annually to the Corporation. Details of remuneration for the year ended 31 July 2023 are set out in the financial statements.

Management is responsible for the implementation of agreed recommendations and internal audit undertake periodic follow up reviews to ensure such recommendations have been implemented.

The Audit Committee also advises the Corporation on the appointment of internal and financial statements auditors and their remuneration for both audit and non-audit work as well as reporting annually to the Corporation.

Details of remuneration for the year ended 31 July 2023 are set out in the financial statements.

INTERNAL CONTROL

Scope of responsibility

The Corporation is ultimately responsible for the College's system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Corporation has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the College's policies, aims and objectives whilst safeguarding the public funds and assets for which he was personally responsible, in accordance with the responsibilities assigned to him in the Financial Memorandum between the College and the funding bodies. He was also responsible for reporting to the Corporation any material weaknesses or breakdowns in internal control.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims, and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of College policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively, and economically. The system of internal control has been in place in Wiltshire College & University Centre for the year ended 31 July 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Corporation has reviewed the key risks to which the College is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Corporation is of the view that there is a formal ongoing process for identifying, evaluating, and managing the College's significant risks that has been in place for the period ending 31 July 2023 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Corporation.

The risk and control framework

The system of internal control is based on a framework of regular management information, administration procedures including the segregation of duties, and a system of delegation and accountability. In particular, it includes:

- Comprehensive budgeting systems with an annual budget and annual financial reports which indicate financial performance against targets, the annual budget being reviewed and agreed by the governing body.
- Regular reviews by the Corporation of periodic and annual financial reports which indicate financial performance against forecasts.
- Setting targets to measure financial and other performance.
- Clearly defined capital investment control guidelines.
- The adoption of formal project management disciplines, where appropriate.

Risks faced by the corporation

The Corporation carefully considers its key operational, financial, compliance and other risks in drawing up its risk register. An assurance framework has also been devised, which covers all aspects of the college's activities, in order to provide a mechanism to consider the processes and mitigations in place to review and evaluate risk.

The main risks are set out in the "Principal Risks and Uncertainties" section above.

Control weaknesses identified

It has been considered that no significant internal control weaknesses or failures have arisen during the year.

Responsibilities under funding agreements

The College has had its obligations and responsibilities in relation to ESFA contracts for 16–19-year-olds and Adults assured through the following mechanisms. Sub-contracting procurement is agreed by the governing body and has a published policy on sub-contracting. Contracts issued by ESFA for 16 – 19 and adult have been

reviewed by governing body. Internal controls are designed to ensure compliance with contractual responsibilities. This includes commissioned external funding compliance audits.

Statement from the audit committee

The audit committee has advised the board of governors that the corporation has an effective framework for governance and risk management in place. The audit committee believes the corporation has effective internal controls in place.

The specific areas of work undertaken by the audit committee in 2022/23 and up to the date of the approval of the financial statements are:

- Consideration of the Assurance Framework and determination of the scope of audits for the year in question
- Reviews of Risk and development of risk processes
- Health and Safety update reviews and reports
- Appointment of new internal Auditors
- Consideration of Internal Audit reviews including Key Financial Controls
- Review of progress in implementing Audit recommendations

Review of effectiveness

As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. The Accounting Officer's review of the effectiveness of the system of internal control is informed by:

- The work of the internal auditors
- The work of the executive managers within the College who have responsibility for the development and maintenance of the internal control framework
- Comments made by the College's financial statements auditors, and the regularity auditors, in their management letters and other reports.

The Accounting Officer has been advised on the implications of the result of the review of the effectiveness of the system of internal control by the Audit Committee which oversees the work of the internal auditor, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Senior Leadership Team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness training. The Senior Leadership Team and Audit Committee also receive reports from internal audit, which include recommendations for improvement. The Audit Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Corporation's agenda includes a regular item for consideration of risk and control and receives reports thereon from the Senior Leadership Team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its December 2023 meeting, the Corporation carried out the annual assessment for the year ended 31 July 2023 by considering documentation from the Senior Leadership Team and internal audit, taking account of events since 31 July 2023.

As Principal and Accounting Officer Iain Hatt was not able to identify any material irregular or improper use of funds by the Corporation, nor material non-compliance with the terms and conditions of funding under the Corporation's grant funding agreements and contracts with the ESFA or any other public funder. He further confirmed that no instances of material irregularity, impropriety, or funding non-compliance had been discovered to date.

Based on the advice of the Audit Committee and the Accounting Officer, the corporation is of the opinion that the college has an adequate and effective framework for governance, risk management and control, and has fulfilled its statutory responsibility for *"the effective and efficient use of resources, the solvency of the institution and the body and the safeguarding of their assets"*.

Approved by order of the members of the Corporation on the 14th December 2023 and signed on its behalf by:



Dr Carlton Brand
Chair



Iain Hatt
Accounting Officer

Statement of Regularity, Propriety and Compliance

As accounting officer, I confirm that the corporation has had due regard to the framework of authorities governing regularity, priority and compliance, and the requirements of grant funding agreements and contracts with ESFA and has considered its responsibility to notify ESFA of material irregularity, impropriety and non-compliance with those authorities and terms and conditions of funding.

I confirm on behalf of the corporation that after due enquiry, and to the best of my knowledge, I am able to identify any material irregular or improper use of funds by the corporation, or material non-compliance with the framework of authorities and the terms and conditions of funding under the corporation's grant funding agreements and contracts with ESFA, or any other public funder. This includes the elements outlined in the "Dear accounting officer" letter of 29 November 2022 and ESFA's bite size guides.

I confirm that no instances of material irregularity, impropriety, funding non-compliance, or non-compliance with the framework of authorities have been discovered to date. If any instances are identified after the date of this statement, these will be notified to ESFA.



Dr Carlton Brand
Chair

14 December 2023



Iain Hatt
Accounting Officer

14 December 2023

Statement of the responsibilities of the members of the Corporation

The members of the Corporation of the College are required to present audited financial statements for each financial year.

Within the terms and conditions of the corporation's grant funding agreements and contracts with ESFA [delete if necessary - and any other relevant funding bodies], the corporation is required to prepare financial statements which give a true and fair view of the financial performance and position of the corporation for the relevant period. Corporations must also prepare a strategic report which includes an operating and financial review for the year. The bases for the preparation of the financial statements and strategic report are the Statement of Recommended Practice – Accounting for Further and Higher Education, ESFA's College Accounts Direction and the UK's Generally Accepted Accounting Practice.

In preparing the financial statements, the Corporation is required to:

- select suitable accounting policies and apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- assess whether the corporation is a going concern, noting the key supporting assumptions, qualifications or mitigating actions, as appropriate (which must be consistent with other disclosures in the accounts and auditor's report)
- Prepare financial statements on the going concern basis unless it is inappropriate to assume that the College will continue in operation.

The corporation is also required to prepare a strategic report, in accordance with paragraphs 3.23 to 3.27 of the FE and HE SORP, that describes what it is trying to do and how it is going about it, including information about the legal and administrative status of the corporation.

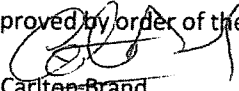
The corporation is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the corporation and which enable it to ensure that the financial statements are prepared in accordance with relevant legislation including the Further and Higher Education Act 1992 and Charities Act 2011, and relevant accounting standards. It is responsible for taking steps that are reasonably open to it to safeguard its assets and to prevent and detect fraud and other irregularities.

The corporation is responsible for the maintenance and integrity of its website(s); the work carried out by auditors does not involve consideration of these matters and, accordingly, auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the corporation are responsible for ensuring that expenditure and income are applied for the purposes intended and that the financial transactions conform to the authorities that govern them. In addition, they are responsible for ensuring that funds from ESFA, and any other public funds, are used only in accordance with ESFA's grant funding agreements and contracts and any other conditions, that may be prescribed from time to time by ESFA, or any other public funder, including that any transactions entered into by the corporation are within the delegated authorities set out in the "Dear accounting officer" letter of 29 November 2022 and ESFA's bite size guides. Members of the corporation must ensure that there are appropriate financial and management controls in place to safeguard public and other funds and ensure they are used properly. In addition, members of the corporation are responsible for securing economic, efficient and effective management of the corporation's resources and expenditure so that the benefits that should be derived from the application of public funds from ESFA and other public bodies are not put at risk.

*Wiltshire College & University Centre
Members' Report and Financial Statements
For the year ended 31 July 2023*

Approved by order of the members of the Corporation on 14 December 2023 and signed on its behalf by:


Dr Carlton Brand
Chair

Independent auditors' report to the corporation of Wiltshire College & University Centre

Opinion

We have audited the financial statements of Wiltshire College & University Centre (the 'parent corporation') and its subsidiaries (the 'group') for the year ended 31 July 2023 which comprise the Consolidated Statements of Comprehensive Income and Expenditure, the Consolidated Statements of Changes in Reserves, the Consolidated and College Balance Sheets, the Consolidated Statements of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice: Accounting for Further and Higher Education (the 'FE HE SORP') and the College Accounts Direction for 2022 to 2023.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's affairs as at 31 July 2023 and of the group's income and expenditure, gains and losses, changes in reserves and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the FE HE SORP, and College Accounts Direction 2022 to 2023 and the Office for Students' Accounts Direction.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusion relating to going concern

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent corporation's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Members' Report and Financial Statements, other than the financial statements and our auditor's report thereon. The members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Post 16 Audit Code of Practice Issued by the Education and Skills Funding Agency ('ESFA') requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the group, or returns adequate for our audit have not been received from branches not visited by us; or
- the group's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Opinion on other matters prescribed by the Office for Students' Accounts Direction

In our opinion:

- funds from whatever source administered by the corporation for the specific purposes have been applied to those purposes and managed in accordance with relevant legislation; and
- funds provided by the Office for Students ('OfS') and Research England have been applied in accordance with the relevant terms and conditions and any other terms and conditions attached to them.

We have nothing to report in respect of the following matters in relation to which the Office for Students' Accounts Direction requires us to report to you if, in our opinion:

- the corporation's grant and fee income, as disclosed in the notes to the financial statements, has been materially misstated; or
- the corporation's expenditure on access and participation activities for the financial year has been materially misstated.

Responsibilities of the corporation

As explained more fully in the Statement of Responsibilities of the Members of the corporation set out on page 25, the corporation is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the corporation determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the corporation is responsible for assessing the corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the corporation either intend to liquidate the corporation or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the sector, control environment and the corporation's performance;
- results of our enquiries of management and the members, including the committees charged with governance over the corporation's finance and control, about their own identification and assessment of the risks of irregularities;

- any matters we identified having obtained and reviewed the corporation's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- how the corporation ensured it met its obligations arising from it being financed by and subject to the governance requirements of the ESFA and OfS, and as such material compliance with these obligations is required to ensure the corporation will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the group and parent corporation ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal corporation specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the corporation operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the College Accounts Direction, the Office for Students' Accounts Direction, and the FE HE SORP.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the corporation's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, and employment legislation

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of corporation's management and members concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of the ESFA and OfS;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of the members and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

These procedures were considered at both the parent corporation and subsidiary level as appropriate.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the corporation, in accordance with Article 22 of the College's Articles of Government. Our audit work has been undertaken so that we might state to the corporation those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the corporation, for our audit work, for this report, or for the opinions we have formed.



Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
Devon
PL4 0BN

Date: 19 December 2023

Reporting accountant's assurance report on regularity to the Corporation of Wiltshire College & University Centre ("the College") and Secretary of State for Education acting through Education and Skills Funding Agency ("ESFA")

In accordance with the terms of our engagement letter dated 29th September 2023 and further to the requirements and conditions of funding in ESFA's grant funding agreements and contracts, or those of any other public funder, we have carried out an engagement to obtain limited assurance about whether anything has come to our attention that would suggest, in all material respects, the expenditure disbursed and income received by Wiltshire College & University Centre during the period 1 August 2022 to 31 July 2023 have not been applied to the purposes identified by Parliament and the financial transactions do not conform to the authorities which govern them.

The framework that has been applied is set out in the Post-16 Audit Code of Practice ("the Code") issued by ESFA and in any relevant conditions of funding concerning adult education notified by a relevant funder.

This report is made solely to the corporation of Wiltshire College & University Centre and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the corporation of Wiltshire College & University Centre and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept, or assume, responsibility to anyone other than the corporation of Wiltshire College & University Centre and ESFA for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Wiltshire College & University Centre and the reporting accountant

The Corporation of Wiltshire College & University Centre is responsible, under the requirements of the Further & Higher Education Act 1992, subsequent legislation and related regulations and guidance, for ensuring that expenditure disbursed, and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Code. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 August 2022 to 31 July 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Code issued jointly by the ESFA. We performed a limited assurance engagement as defined in that framework.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity and propriety.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity of the College's income and expenditure.

The work undertaken to draw our conclusion includes:

- An assessment of the risk of material irregularity and impropriety across the College's activities;
- Evaluation and validation of the processes and controls in place to ensure regularity and propriety for the use of public funds, including the consideration of the College's self-assessment questionnaire ("SAQ");
- Testing transactions with related parties;
- Sample testing of income to ensure that funds have been applied for the purposes that they were awarded, focused on areas assessed as high risk;

- Confirming through enquiry and understanding the control environment that the College has policies and delegated authorities in respect of procurement; and
- Reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referenced to our regularity report.

The list is not exhaustive, and we performed additional procedures designed to provide us with sufficient appropriate evidence to express a limited assurance conclusion on regularity consistent with the requirements of the Code.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects, the expenditure disbursed and income received during the period 1 August 2022 to 31 July 2023 has not been applied to purposes intended by Parliament, and that the financial transactions do not conform to the authorities that govern them.



Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
Devon
PL4 0BN

Date: 19 December 2023

Consolidated Statements of Comprehensive Income and Expenditure

For the year ended 31 July 2023

	Note	2023 £'000 Group	2023 £'000 College	2022 £'000 Group	2022 £'000 College
Income					
Funding body grants	2	32,492	32,492	30,944	30,944
Tuition fees and education contracts	3	2,785	2,785	3,359	3,359
Other grants and contracts	4	326	326	525	525
Other income	5	3,871	3,871	5,408	4,121
Investment income	6	-	-	-	-
Total income		39,474	39,474	40,236	38,949
Expenditure					
Staff costs	7	24,127	24,127	25,870	25,870
Other operating expenses	8	11,187	11,187	11,910	10,623
Depreciation	11	3,401	3,401	3,196	3,196
Interest and other finance costs	9	690	690	1,060	1,060
Total expenditure		39,405	39,405	42,036	40,749
Surplus/(deficit) before other gains and losses		69	69	(1,800)	(1,800)
Share of operating surplus in joint venture		13	13	13	13
Gain on disposal of assets	8	29	29	826	826
Surplus/(deficit) before tax		111	111	(961)	(961)
Taxation	10	-	-	-	-
Surplus/(deficit) for the year		111	111	(961)	(961)
Actuarial gain in respect of pension schemes	21	15,785	15,785	34,177	34,177
Pension Surplus not recognised		(7,497)	(7,497)	-	-
Total comprehensive income for the year		8,399	8,399	33,216	33,216
Transfer from Revaluation Reserve		151	151	151	151
		8,550	8,550	33,367	33,367

Consolidated Statements of Changes in Reserves

For the year ended 31 July 2023


Group & College	Income and expenditure Account	Revaluation Reserve	Total
	£'000	£'000	£'000
Balance at 1 August 2021	(28,846)	6,471	(22,375)
Deficit from the income and expenditure account	(961)	-	(961)
Actuarial loss in respect of pension scheme	34,177	-	34,177
Transfers between revaluation and income and expenditure reserves	151	(151)	-
Total comprehensive income for the year	33,367	(151)	33,216
Balance at 31 July 2022	4,521	6,320	10,841
Surplus from the income and expenditure account	111	-	111
Actuarial loss in respect of pension scheme	8,288	-	8,288
Transfers between revaluation and income and expenditure reserves	151	(151)	-
Total comprehensive income for the year	8,550	(151)	8,399
Balance at 31 July 2023	13,071	6,169	19,240

Consolidated and College Balance Sheets as of 31 July 2023

Description	Note	2023	2023	2022	2022
		£'000 Group	£'000 College	£'000 Group	£'000 College
Non-Current assets					
Tangible fixed assets	11	73,276	73,276	71,358	71,358
Biological assets	12	612	612	636	636
Investments	13	434	434	409	409
		74,322	74,322	72,403	72,403
Current assets					
Stock	14	348	348	287	287
Trade and other receivables	15	2,092	2,092	2,044	2,044
Cash and cash equivalents		10,139	10,139	8,908	8,908
		12,579	12,579	11,239	11,239
Creditors: amounts falling due within one year	16	(7,884)	(7,884)	(9,342)	(9,342)
Net current assets		4,695	4,695	1,897	1,897
Total assets less current liabilities		79,017	79,017	74,300	74,300
Creditors: Amounts falling due after more than one year	17	(59,297)	(59,297)	(55,244)	(55,244)
Provisions	19	(479)	(479)	(557)	(557)
Total assets excluding pension liability		19,241	19,241	18,499	18,499
Net pension liability	21	-	-	(7,658)	(7,658)
Net assets including pension liability		19,241	19,241	10,841	10,841
Unrestricted reserves					
Revaluation reserve	20	6,169	6,169	6,320	6,320
Income and expenditure account		13,072	13,072	4,521	4,521
Total reserves		19,241	19,241	10,841	10,841

The financial statements on pages 32 to 57 were approved and authorised for issue by the Corporation on 14 December 2023 and were signed on its behalf on that date by:


Dr Carlton Brand
Chair


Iain Hatt
Accounting Officer

Consolidated Statement of Cash Flows

for the year ended 31 July 2023

	Note	2023 £'000 Group	2022 £'000 Group
Cash flow from operating activities			
Surplus/(deficit) for the year		111	(961)
Adjustment for non-cash items			
Depreciation	11	3,401	3,196
Deferred capital grants released to income	2	(1,600)	(1,455)
Decrease / (Increase) in biological assets	12	24	(168)
Decrease / (Increase) in Stocks	14	(61)	151
(Increase) / Decrease in Debtors	15	(48)	629
(Decrease) / Increase in Creditors due within one year	16	(1,458)	2,186
(Decrease) in Provisions	19	(78)	(81)
Pension costs less contributions payable	21	310	2,935
Share of operating surplus in joint venture		(13)	(13)
Cash (outflow)/inflow before use of liquid resources and financing			
Investment income	6	-	-
Interest payable	9	689	1,059
Loss/(profit) on sale of fixed assets	8	(29)	(826)
Net cash flow from operating activities		1,248	6,652
Cash flows from investing activities			
Proceeds from sale of fixed assets		29	862
Deferred capital grants received		7,206	1,589
Payments made to acquire fixed assets		(5,320)	(4,821)
Net cash flow from investing activities		1,915	(2,370)
Cash flows from financing activities			
Interest paid	9	(219)	(213)
Interest element of finance lease rental payments	9	(196)	(211)
New secured loan		-	-
Repayments of amounts borrowed		(1,187)	(2,027)
Interest received		-	-
Capital element of finance lease rental payments		(331)	(348)
Net cash flow from financing activities		(1,933)	(2,798)
Increase in cash and cash equivalents in the year		1,230	1,483
Cash and cash equivalents at the beginning of the year		8,908	7,425
Cash and cash equivalents at end of the year		10,138	8,908
Increase in cash and cash equivalents in the year		1,230	1,483

Notes to the Financial Statements

Group and College

For the year ended 31 July 2023

1. Statement of accounting policies and estimation techniques

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

These financial statements have been prepared in accordance with the *Statement of Recommended Practice: Accounting for Further and Higher Education 2019* (the 2019 FE HE SORP), the *College Accounts Direction for 2022 to 2023* and in accordance with Financial Reporting Standard 102 – “*The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland*” (FRS 102). The College is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102. The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the College's accounting policies.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention as modified by the use of previous valuations as deemed cost at transition for certain non-current assets.

Basis of consolidation

The consolidated financial statements include the college and one of its subsidiaries (Lackham WCUC Limited) as detailed in Note 13. Intra-group sales and profits are eliminated fully on consolidation.

In accordance with FRS 102, the activities of the student union have not been consolidated because the College does not control those activities.

Going concern

The activities of the College, together with the factors likely to affect its future development and performance are set out in the Members Report. The financial position of the College, its cash flow, liquidity and borrowings are presented in the Financial Statements and accompanying notes.

In 2020/21 the College took out new debt with Wiltshire Council to replace previous debt held with Lloyds bank, and also received additional loan funding from the Department for Education (DfE) which was reduced by £1.3m upon the sale of the land at Lackham in 2021/22. These arrangements, alongside underlying surpluses made year on year and a much improved cashflow provision and after making appropriate enquiries the Board of Governors considers that the College has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Recognition of income

Revenue grant funding

Government revenue grants include funding body recurrent grants and other grants and are accounted for under the accrual model as permitted by FRS 102. Funding body recurrent grants are measured in line with best estimates for the period of what is receivable and depend on the particular income stream involved. Any under achievement for the Adult Education Budget is adjusted for and reflected in the level of recurrent grant recognised in the income and expenditure account. The final grant income is normally determined with the conclusion of the year end reconciliation process with the funding body following the year end, and the results of any funding audits. 16-18 learner-responsive funding is not normally subject to reconciliation and is therefore not subject to contract adjustments.

The recurrent grant from OfS represents the funding allocations attributable to the current financial year and is credited direct to the Statement of Comprehensive Income.

Where part of a government grant is deferred, the deferred element is recognised as deferred income within creditors and allocated between creditors due within one year and creditors due after more than one year as appropriate. Grants (including research grants) from non-government sources are recognised in income when the College is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

Capital grant funding

Government capital grants are capitalised, held as deferred income and recognised in income over the expected useful life of the asset, under the accrual model as permitted by FRS 102. Other, non-governmental, capital grants are recognised in income when the College is entitled to the funds subject to any performance related conditions being met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the Balance Sheet and released to income as conditions are met.

Fee income

Income from tuition fees is stated gross of any expenditure which is not a discount and is recognised in the period for which it is received.

Apprenticeship Income

Apprenticeship income is recognised as it is earned by apprentices on programme as per reports provided by the government funding portal, income coming from levy and non-levy funds.

Investment income

All income from short-term deposits is credited to the income and expenditure account in the period in which it is earned on a receivable basis.

Non-Current Assets - Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Certain items of fixed assets that had been revalued to fair value on or prior to the date of transition to the 2019 FE HE SORP, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

Land and buildings inherited from the Local Education Authority are stated in the balance sheet at valuation on the basis of depreciated replacement cost as the open market value for existing use is not readily obtainable. Land and buildings acquired since incorporation are included in the balance sheet at cost. Freehold land is not depreciated as it is considered to have an infinite useful life. Freehold buildings are depreciated over their expected useful economic life to the College of 50 years. Leasehold land and buildings are amortised over 50 years or, if shorter, the period of the lease. The College has a policy of depreciating major adaptations to buildings over the period of their useful economic life.

Where land and buildings are acquired with the aid of specific grants, they are capitalised and depreciated as above. The related grants are credited to a deferred capital grant account and are released to the income and expenditure account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Finance costs which are directly attributable to the construction of land and buildings are not capitalised as part of the cost of those assets.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset(s) may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Comprehensive Income and Expenditure.

Subsequent expenditure on existing fixed assets

Where significant expenditure is incurred on tangible fixed assets it is charged to the income and expenditure account in the period it is incurred, unless it meets one of the following criteria, in which case it is capitalised and depreciated on the relevant basis:

- Market value of the fixed asset has subsequently improved
- Assets capacity increases
- Substantial improvement in the quality of output or reduction in operating costs
- Significant extension of the assets life beyond that conferred by repairs and maintenance

Assets under construction

Assets under construction are accounted for at cost, based on the value of architects' certificates and other direct costs, incurred to 31 July. They are not depreciated until they are brought into use.

Equipment

Equipment costing less than £1,000 per individual item is written off to the income and expenditure account in the period of acquisition. All other equipment is capitalised at cost. Equipment inherited from the Local Education Authority is included in the balance sheet at valuation.

Motor vehicles	-	4 years
Computer equipment	-	4 years
Furniture and fittings	-	10 years
Plant & Equipment	-	10 years
Technological Equipment	-	4 years

Where equipment is acquired with the aid of specific grants, it is capitalised and depreciated in accordance with the above policy, with the related grant being credited to a deferred capital grant account and released to the income and expenditure account over the expected useful economic life of the related equipment.

Leased assets

Costs in respect of operating leases are charged on a straight-line basis over the lease term to the Statement of Comprehensive Income and Expenditure.

Leasing agreements which transfer to the College substantially all the benefits and risks of ownership of an asset are treated as finance leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as an obligation under finance leases. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charges are allocated over the period of the lease in proportion to the capital element outstanding.

Investments

Investments in joint ventures

The College accounts for its share of the joint venture at fair value.

Other investments

Listed investments held as non-current assets and current asset investments, which may include listed investments, are stated at fair value, with movements recognised in Comprehensive Income. Investments comprising unquoted equity instruments are measured at fair value, estimated using a valuation technique.

Stock

Inventories are stated at the lower of their cost and net realisable value, being selling price less costs to complete and sell. Where necessary, provision is made for obsolete, slow-moving, and defective items.

Biological Assets

Biological assets are living animals or plants held as non-current assets from which economic benefits flow to the College. Agricultural produce is the harvested product of a biological asset. The College's farming operations include dairy cattle which are classified as biological assets. Dairy cattle are stated at fair value less costs to sell.

All stock (including biological assets) is counted and valued once a year by an independent qualified valuer (Fellow of the Association of Agricultural Valuers - FAAV). Changes in fair value less costs to sell are recognised in the statement of comprehensive income / (expenditure). The associated agricultural produce, milk, is stored only for a short time before onward sale and hence the value held is not considered material and is not included on the balance sheet.

The College's operations also include arable farming from which economic benefits are derived. The plants and their harvested crops and are livestock which will be slaughtered within 12 months are treated as current assets within stock.

Foreign currency translation

Transactions denominated in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the end of the financial period with all resulting exchange differences being taken to income in the period in which they arise.

Taxation

The College is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by sections 478-488 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The College is partially exempt in respect of Value Added Tax, so that it can only recover a minor element of the VAT charged on its inputs. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature. The College's subsidiary companies are subject to corporation tax and VAT in the same way as any commercial organisation.

Agency arrangements

The College acts as an agent in the collection and payment of Learner Support Funds. Related payments received from the main funding body and subsequent disbursements to students are excluded from the Income and Expenditure account except for the 5 per cent of the grant received which is available to the College to cover administration costs relating to the grant. Customer Services Managers on each of the four main campuses administer the Learner Support Fund applications and payments.

Accounting for post-employment benefits

Post-employment benefits to employees of the College are principally provided by the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). These are defined benefit plans, which are externally funded and contracted out of the State Second Pension.

Teachers' Pension Scheme (TPS)

The TPS is an unfunded scheme. Contributions to the TPS are calculated so as to spread the cost of pensions over employees' working lives with the College in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of valuations using a prospective benefit method.

The TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution plan and the contributions recognised as an expense in the income statement in the periods during which services are rendered by employees.

Local Government Pension Scheme (LGPS)

The LGPS is a funded scheme. The assets of the LGPS are measured using closing fair values. LGPS liabilities are measured using the projected unit credit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements, and curtailments. They are included as part of staff costs as incurred.

Net interest on the net defined benefit liability/asset is also recognised in the Statement of Comprehensive Income and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in interest and other finance costs.

Actuarial gains and losses are recognised immediately in actuarial gains and losses.

Short term Employment benefits

Short term employment benefits such as salaries and compensated absences (holiday pay) are recognised as an expense in the year in which the employees render service to the College. Any unused benefits are accrued and measured as the additional amount the College expects to pay because of the unused entitlement.

Enhanced Pensions

The actual cost of any enhanced ongoing pension to a former member of staff is paid by a college annually. An estimate of the expected future cost of any enhancement to the ongoing pension of a former member of staff is charged in full to the College's income in the year that the member of staff retires. In subsequent years a charge is made to provisions in the balance sheet using the enhanced pension spreadsheet provided by the funding bodies.

Cash and Cash Equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value. An investment qualifies as a cash equivalent when it has maturity of 3 months or less from the date of acquisition.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. All loans, investments and short-term deposits held by the College are classified as basic financial instruments in accordance with FRS 102. These instruments are initially recorded at the transaction price less any transaction costs (historical cost). FRS 102 requires that basic financial instruments are subsequently measured at amortised cost, however the College has calculated that the difference between the historical cost and amortised cost basis is not material and so these financial instruments are stated on the balance sheet at historical cost. Loans and investments that are payable or receivable within one year are not discounted.

Provisions and contingent liabilities

Provisions are recognised when

- the College has a present legal or constructive obligation because of a past event
- it is probable that a transfer of economic benefit will be required to settle the obligation, and
- a reliable estimate can be made of the amount of the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in the statement of comprehensive income in the period it arises.

A contingent liability arises from a past event that gives the College a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the balance sheet but are disclosed in the notes to the financial statements.

Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, management have made the following judgements:

- Determine whether leases entered by the College either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.
- Determine whether there are indicators of impairment of the College's tangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

- *Tangible fixed assets*

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on several factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- *Local Government Pension Scheme*

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability.

For 2022/23 the pension plan asset has not been recognised, as the surplus is not considered recoverable through reduced contributions in the future or through refunds from the plan.

2. Funding body grants (Group and College)

Statutory accounts description	2023	2022
	£'000	£'000
Recurrent grants		
Education & Skills Funding Agency: Adult	9,444	9,102
Education & Skills Funding Agency: 16-18	21,184	20,028
Education & Skills Funding Agency: Other	149	264
Office for Students (OFS)	115	95
Specific grants		
Releases of deferred capital grants	1,600	1,455
Releases of deferred capital grants		
	32,492	30,944

3. Tuition fees and education contracts (Group and College)

	2023	2022
	£000s	£000s
Tuition fees	1,735	2,271
Education contracts	1,050	1,088
	2,785	3,359

4. Other grants and contracts (Group and College)

	2023	2022
	£000s	£000s
Other grants and contracts	326	525
	326	525

5. Other income (Group and College)

	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
	Group	College	Group	College
Catering and residences	716	716	778	778
Other income generating activities	1,757	1,757	2,395	2,395
Farming income	1,333	1,333	937	937
Miscellaneous income	65	65	11	11
Sale of Land			1,287	-
	<u>3,871</u>	<u>3,871</u>	<u>5,408</u>	<u>4,121</u>

6. Investment Income (Group and College)

	2023	2022
	£000s	£000s
Bank interest receivable	-	-

7. Staff costs (Group and College)

The average number of persons employed by the college (including senior post holders) during the year was:

	2023	2022
	Headcount	Headcount
<i>All staff</i>	658	715

Expressed as full-time equivalents, was as follows:

	2023	2022
	FTE	FTE
Teaching staff	356	371
Non-teaching staff	206	209
	<u>562</u>	<u>580</u>

The numbers above do not include estimates of the staff numbers employed through contracting out arrangements.

Staff costs for the above persons were as follows:

	2023	2022
	£000s	£000s
Wages and salaries	17,172	17,102
Social security costs	1,593	1,479
Other pension costs, including FRS 102 (s 28) adjustments of £333k; (2021/22: £2,887k)	4,504	6,846
	23,269	25,427
Contracted out staffing services	858	443
	24,127	25,870
Restructuring costs	-	-
	24,127	25,870

Emoluments of key management personnel, Accounting Officer, and other higher paid staff

Key Management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the College and are represented by the Senior Leadership Group, which in 2022/23 comprises the Principal, Deputy Principal Curriculum and Quality, and Deputy Principal Corporate Resources.

	2023	2022
	Number	Number
The number of key management personnel including the Accounting Officer was:	3	3
	3	3
	3	3

The number of key management personnel and other staff who received annual emoluments, excluding pension contributions and employer's national insurance but including benefits in kind, in the following ranges was:

	2023 Number of senior post holders	2023 Number of other staff	2022 Number of senior post holders	2022 Number of other staff
£60,001 to £65,000	-	-	-	1
£65,001 to £70,000	-	-	-	1
£70,001 to £75,000	-	-	-	-
£75,001 to £80,000	-	1	-	-
£80,001 to £85,000	-	-	1	-
£85,001 to £90,000	-	-	-	-
£90,001 to £95,000	-	-	-	-
£95,001 to £100,000	1	-	1	-
£100,001 to £105,000	1	-	-	-
£105,001 to £110,000	-	-	-	-
£110,001 to £115,000	-	-	-	-
£115,001 to £120,000	-	-	-	-
£120,001 to £125,000	-	-	-	-
£125,001 to £130,000	-	-	-	-
£130,001 to £135,000	-	-	-	-
£135,001 to £140,000	-	-	-	-
£140,001 to £145,000	1	-	1	-
£145,001 to £150,000	-	-	-	-

Key management personnel emoluments are made up as follows:

	2023 £000s	2022 £000s
Salaries - gross of salary sacrificed and waived	340	442
Benefits in kind	1	1
Pension contributions	80	102
	<hr/>	<hr/>
	421	545
	<hr/> <hr/>	<hr/> <hr/>

There were no amounts due to key management personnel that were waived in the year, nor any salary sacrifice arrangements in place.

The above emoluments include amounts payable to the Accounting Officer (who is also the highest paid senior post holder and principal) of:

	2023 £000s	2022 £000s
Salaries	146	140
Benefits in kind	1	1
Pension contributions	34	33
	<hr/>	<hr/>
	181	174
	<hr/> <hr/>	<hr/> <hr/>

The pension contributions in respect of the Accounting Officer and senior post holders are in respect of employer's contributions to the Teachers' Pension Scheme or Local Government Pension Scheme and are paid at the same rate as for other employees.

Relationship of Principal/Chief Executive pay, and remuneration expressed as a multiple

	2023	2022
Principal's basic salary as a multiple of the median of all staff	5.67	5.22
Principal and CEO's total remuneration as a multiple of the median of all staff	5.68	5.24

National Insurance Contributions have not been included in the total remuneration median calculations. An adjustment has been made to prior year calculations to exclude NIC contributions.

The members of the Corporation other than the Accounting Officer and the staff member did not receive any payment from the College other than the reimbursement of travel and subsistence expenses incurred in the course of their duties.

The Governing body adopted AoC's Senior Staff Remuneration Code in July 2019 and assesses pay in line with its principles. The remuneration package of senior post holders, including the Principal and Chief Executive, is subject to annual review by the Remuneration Committee of the governing body who justify the remuneration on grounds that salary is benchmarked against data concerning other posts in the sector of similar type, size of college and geographical area. The resulting salary is also compared against a suitable pay multiple for the average salary in the College to ensure that it does not exceed 7. Senior posts are not subject to performance related pay, and it is considered appropriate that given the complexity of the College operation, pay should be compared with that awarded in the top quartile of comparator Colleges in order to remain competitive.

8. Other operating expenses (Group and College)

	2023	2023	2022	2022
	£000s	£000s	£000s	£000s
	Group	College	Group	College
Teaching costs	3,232	3,232	3,180	3,180
Non-teaching costs	4,539	4,539	4,392	4,392
Premises costs	3,416	3,416	3,051	3,051
Land Sale	-	-	1,287	-
	11,187	11,187	11,910	10,623

Other operating expenses include:

	2023	2022
	£000s	£000s
Auditors' remuneration:		
Financial statements audit	41	36
Other audit work	4	-
Internal audit	25	25
Profit / (loss) on disposal of tangible fixed assets	29	826
Depreciation	3,401	3,196
Land and Buildings – operating leases	278	217
Other – operating leases	277	260
	=====	=====

9. Interest and other finance costs (Group and College)

	2023	2022
	£000s	£000s
On bank loans, other loans, and overdrafts:		
Repayable within five years, not by instalments	-	-
Repayable within five years, by instalments	30	23
Repayable wholly or partly in more than five years	190	190
	220	213
On finance leases:	196	211
Pension finance costs	274	636
	690	1,060

10. Taxation (Group and College)

The members do not believe the Group and College were liable for any corporation tax arising out of activities during either year.

11. Tangible Fixed Assets (Group and College)

Statutory accounts description	Land and Buildings		Equipment	Total
	Freehold Land & Buildings	Assets in course of construction		
	£'000	£'000	£'000	£'000
Cost or revaluation				
At 1 August 2022	85,202	-	21,721	106,923
Transfers	-	-	-	-
Additions	2,513	1,471	1,336	5,320
Assets held for resale	-	-	-	-
Disposals	-	-	(6)	(6)
At 31 July 2023	87,715	1,471	23,051	112,237
Accumulated depreciation				
At 1 August 2022	19,782	-	15,784	35,566
Charge for year	1,786	-	1,615	3,401
Assets held for resale	-	-	-	-
Transfers	-	-	-	-
Accelerated depreciation	-	-	-	-
Disposals	-	-	(6)	(6)
At 31 July 2023	21,568	-	17,393	38,961
Net book value				
At 31 July 2023	66,147	1,471	5,658	73,276
At 31 July 2022	65,420	-	5,937	71,357

Land and buildings were valued for the purpose of the 1994 financial statements at depreciated replacement cost for the four main sites and open market value for alternative use for two of the centres by King Sturge & Co, Grimley JR Ewe, and Chesterton International Property Consultants firms of independent chartered surveyors, in accordance with the RICS Statement of Asset Valuation Practice and Guidance notes. Other tangible fixed assets inherited from the local education authority at incorporation have been valued by the Corporation on a depreciated replacement cost basis with the assistance of independent professional advice.

12. Biological Assets (Group and College)

Biological assets are living animals or plants held as non-current assets from which economic benefits flow to the College. Agricultural produce is the harvested product of a biological asset. The College's farming operations include dairy cattle which are classified as biological assets. Dairy cattle are stated at fair value less costs to sell.

All stock (including biological assets) is counted and valued once a year by an independent qualified valuer (Fellow of the Association of Agricultural Valuers - FAAV). Changes in fair value less costs to sell are recognised in the statement of comprehensive income / (expenditure). The associated agricultural produce, milk, is stored only for a short time before onward sale and hence the value held is not considered material and is not included on the balance sheet.

The College's operations also include arable farming from which economic benefits are derived. The plants and their harvested crops and are livestock which will be slaughtered within 12 months are treated as current assets within stock.

	2023	2022
	£000s	£000s
Biological Assets	612	636
	612	636
Total	612	636

13. Investments (Group and College)

	2023	2022
	£000s	£000s
Quoted shares	2	2
Investment in Joint Venture Company	432	407
	434	409
Total	434	409

Group

On the 25th April 2022 the College registered a wholly owned subsidiary company (Lackham WCUC Ltd). Having taken professional advice for the purposes of handling the associated tax treatment of a land disposal, the Company was established to acquire, hold, manage and administer the property. The company recorded a breakeven performance - to 31 July 2022, and then remained dormant to 31 July 2023, it has reserves of £nil as at 31 July 2023.

Joint Venture

The amounts held in respect of the joint venture comprise the following share of net assets under equity accounting rules:

	2023		2022	
	£000s	£000s	£000s	£000s
Share of assets:				
Share of fixed assets	55		88	
Share of current assets	1,350		1,767	
		1,405		1,855
Share of liabilities:				
Due within one year	(615)		(605)	
Due after one year	-		-	
		(615)		(605)
		790		1250

Wiltshire College & University Centre in partnership with the then Somerset College set up a joint venture company in November 2005 called the Wiltshire and Somerset Colleges' Partnership Ltd, to run a contract for the delivery of qualifications to the Royal Signals and Royal Armoured Corps. Following the merger of Somerset College and Bridgwater College (to become Bridgwater and Taunton College) the joint venture changed its name to The Colleges' Partnership Ltd on 2 April 2016. The joint venture is equally owned and makes charitable donations to each college during the year.

College

The investment is recognised on the balance sheet at fair value, the fair value has been assessed based on 50% of the net assets of the company at the reporting date 2022/23 £563k, (2021/22 £419k).

Investments in associated undertakings are as follows:	£000s
On 31 July 2022	407
Share of associated company profits	25
On 31 July 2023	432

14. Stock (Group and College)

	2023	2022
	£000s	£000s
Farm stock	280	220
Trading stock	68	67
	348	287

15. Trade and other receivables (Group and College)

	2023	2022
	£000s	£000s
Amounts falling due within one year:		
Trade debtors	224	268
Other debtors	455	311
Prepayments and accrued income	1,413	1,465
	<u>2,092</u>	<u>2,044</u>

16. Creditors: amounts falling due within one year

	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
	Group	College	Group	College
Other loans	1,132	1,132	720	720
Obligations under finance leases	327	327	377	377
Payments received on account	1,625	865	2,008	1,248
Trade creditors	667	667	1,482	1,482
Amounts owed to group undertakings	-	760	-	760
Other taxation and social security	379	379	387	387
Accruals and deferred income	2,113	2,113	2,886	2,886
Deferred Income - Government Capital Grants	1,641	1,641	1,482	1,482
	<u>7,884</u>	<u>7,884</u>	<u>9,342</u>	<u>9,342</u>

17. Creditors: amounts falling due after more than one year (Group and College)

	2023	2022
	£000s	£000s
Bank loans	-	-
Obligations under finance leases	2,379	2,711
Deferred income – Government capital grants	49,369	43,797
Other loans	7,549	8,736
	<u>59,297</u>	<u>55,244</u>

18. Maturity of debt (Group and College)

Loans and overdrafts

	2023	2022
	£000s	£000s
Loans and overdrafts are repayable as follows:		
Within one year	1,132	775
Between one and two years	1,132	1,132
Between two and five years	2,436	2,875
In five years or more	3,981	4,676
	8,681	9,458
	8,681	9,458

Variable loans	Original amount	Rate	Maturity
ESFA - Loan	£3,000k	PWLB EIP rate for 8 years	30/06/2026
Wiltshire Council Loan	£6,312k	PWLB EIP rate + 0.50%	26/03/2036
Wiltshire Council Loan	£2,435k	2.72%	28/02/2030

In 2020/21 the College repaid debt previously held with a commercial institution, taking out new debt with Wiltshire Council and receiving additional loan funding from the Department for Education (DfE) to support its financial position. An early capital repayment in 2021/22 of £1.3m against the DfE loan, has reduced the term by 3 years. All loans are repaid in instalments.

Finance leases

The net finance lease obligations to which the College is committed are:

	2023	2022
	£000s	£000s
In the next year	265	377
Between one and five years	791	994
After five years	1,493	1,716
	2,549	3,087
	2,549	3,087

19. Provisions (Group and College)

	2023
	£000s
On 1 August 2022	557
Utilised in the period	(78)
On 31 July 2023	479
	479

The enhanced pension provision relates to the cost of staff who have already left the College's employ and commitments for reorganisation costs from which the College cannot reasonably withdraw at the balance sheet date.

20. Revaluation reserve (Group and College)

	2023	2022
	£000s	£000s
On 1 August 2022	6,320	6,471
Transfer from revaluation reserve to income and expenditure account in respect of:		
Depreciation on revalued assets	(151)	(151)
	6,169	6,320
On 31 July 2023	6,169	6,320

21. Pensions and similar obligations (Group and College)

The College's employees belong to two principal post-employment benefit plans: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Wiltshire Local Government Pension Scheme (LGPS) for non-teaching staff. Both are multi-employer defined-benefit plans.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest formal actuarial valuation of the TPS was as of 31 March 2020 and of the LGPS 31 March 2022.

Total pension cost for the year	2023	2022
	£000s	£000s
Teachers' Pension Scheme: employer contributions paid	1,858	1,827
Local Government Pension Scheme:		
Employer Contributions paid	2,313	2,132
FRS 102 Section 28 charge	333	2,887
Charge to the Income and Expenditure Account (staff costs)	2,646	5,019
Enhanced pension charge to Income and Expenditure Account (staff costs)	-	-
	4,504	6,846
Total Pension Cost	4,504	6,846

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers can opt out of the TPS.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The college is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the College has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The college has set out above the information available on the plan and the implications for the college in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as of 31 March 2020. The valuation report was published by the Department for Education in October 2023.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

The pension costs paid to TPS in the year amounted to £1,858k (2021/22: £1,827k).

Local Government Pension Scheme

The LGPS is a funded defined-benefit plan, with the assets held in separate funds administered by Wiltshire Council. The total contributions made for the year ended 31 July 2023 were £2,747k, of which employer's contributions totalled £2,236k and employees' contributions totalled £511k as per the actuary's report. The agreed contribution rates for future years are 24.2% for the college and range from 5.5% to 12.5% for employees, depending on salary according to a national scale.

Principal Actuarial Assumptions

	2023	2022
Pension increase rate (CPI)	3.00%	2.85%
Rate of increase in salaries	3.50%	3.25%
Discount rate for liabilities	5.05%	1.60%
Commutation of pensions to lump sums	50%	50%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 July 2023	At 31 July 2022
<i>Retiring today</i>		
Males	20.8	21.7
Females	24.3	24.2
<i>Retiring in 20 years</i>		
Males	21.8	22.6
Females	25.6	26.0

The assets and liabilities in the scheme (of which the College's share is estimated at 2%) and the expected rates of return were:

	Value at 31 July 2023	Value at 31 July 2022
	£000s	£000s
Equities	41,967	41,412
Bonds	22,128	24,540
Property	10,682	10,736
Cash	1,526	-
	<hr/>	<hr/>
Total market value of assets	76,303	76,688
Present value of scheme liabilities		
Unfunded	-	-
Funded	68,806	84,346
Pension Surplus not recognised	7,497	-
	<hr/>	<hr/>
(Deficit) in the scheme	-	(7,658)
	<hr/> <hr/>	<hr/> <hr/>

Amounts Recognised in the Statement of Comprehensive Income and Expenditure in respect of the plan are as follows:

	2023 £000s	2022 £000s
Employer service cost (net of employee contributions)	2,569	5,190
Past service cost	23	48
	<hr/>	<hr/>
Total operating charge	2,592	5,238
	<hr/> <hr/>	<hr/> <hr/>

Analysis of pension finance (costs) / income

	2023 £000s	2022 £000s
Expected return on pension scheme assets	2,686	1,243
Interest on pension scheme liabilities	(2,960)	(1,879)
	<hr/>	<hr/>
Pension finance (costs)	(274)	(636)
	<hr/> <hr/>	<hr/> <hr/>

Amount recognised in Other Comprehensive (Expenditure) / Income

	2023 £000s	2022 £000s
Actuarial loss on scheme liabilities	(3,305)	(2,328)
Actuarial gain on pension scheme assets	19,090	36,505
	<hr/>	<hr/>
Amount recognised in Other Comprehensive Income	15,785	34,177
	<hr/> <hr/>	<hr/> <hr/>

Movement in net defined benefit liability during year

	2023	2022
	£000s	£000s
Net defined benefit liability in scheme at 1 August	(7,658)	(38,264)
Movement in year:		
Current service charge	(2,569)	(5,190)
Contributions	2,236	2,303
Losses on Curtailments and settlements	-	-
Past service costs	(23)	(48)
Net interest on assets	(274)	(636)
Actuarial gain	8,288	34,177
	<hr/>	<hr/>
Net defined benefit liability at 31 July	-	(7,658)
	<hr/> <hr/>	<hr/> <hr/>

Asset and Liability Reconciliation

	2023	2022
	£000s	£000s
Reconciliation of Liabilities		
Liabilities at start of period	84,346	116,025
Current service cost	2,569	5,190
Interest cost	2,960	1,879
Employee contributions	511	526
Actuarial loss/(gain)	(19,090)	(36,505)
Benefits paid	(2,513)	(2,817)
Past Service cost	23	48
Losses on curtailments and settlements	-	-
	<hr/>	<hr/>
Liabilities at end of period	68,806	84,346
	<hr/> <hr/>	<hr/> <hr/>
Changes in fair value of plan assets		
Fair value of plan assets at start of period	76,688	77,761
Expected return on assets	2,686	1,243
Actuarial gain	(3,305)	(2,328)
Employer contributions	2,236	2,303
Employee contributions	511	526
Benefits paid	(2,513)	(2,817)
Pension Surplus not recognised	(7,497)	-
	<hr/>	<hr/>
Fair value of plan assets at end of period	68,806	76,688
	<hr/> <hr/>	<hr/> <hr/>

22. Capital commitments (Group and College)

	2023	2022
	£000s	£000s
Commitments contracted as of 31 July	1,842	3,580
	<hr/>	<hr/>
	1,842	3,580
	<hr/> <hr/>	<hr/> <hr/>

23. Lease Obligations (Group and College)

On 31 July, the College had total commitments under non-cancellable operating leases as follows:

	2023		2022	
	Land and buildings £000s	Other £000s	Land and buildings £000s	Other £000s
Expiring within one year	174	236	170	119
Expiring between one and five years	426	469	539	113
Expiring in over five years	8	-	54	-
	608	705	763	232
	608	705	763	232

24. Contingencies (Group and College)

The College had no contingencies as at 31 July 2023 (2021/22: £ Nil).

25. OFS Regulated Income (Group and College)

Note analysing grant and fee income received for courses at level 4 and above as a requirement of the OFS. The OfS only regulates higher education in colleges so as per the recommended approach income relating to courses at Level 4 and above are reported here.

	2023 £000s	2022 £000s
Grant income from the Office for Students	115	95
Fee Income for taught awards	1,580	1,703
	1,695	1,798
	1,695	1,798

26. Access and Participation Expenditure (Group and College)

In 2022/23 the College has no students above the basic tuition fee cap and therefore has no requirement for an access and participation plan or for this reporting disclosure. (This also applied to the prior year 2021/22)

27. Related Party Transactions (Group and College)

Due to the nature of the College's operations and the composition of the Board of Governors (being drawn from local public and private sector organisations) it is inevitable that transactions will take place with organisations in which a member of the Board of Governors may have an interest. All transactions involving organisations in which a member of the Board of Governors may have an interest are conducted at arm's length and in accordance with the College's financial regulations and normal procurement procedures.

Governors

The total expenses paid to or on behalf of the Governors during 2022/23 was £0.4k, (2021/22: £1k). This represents travel and subsistence expenses and other out of pocket expenses incurred in attending Governors' Meetings and charity events in their official capacity. No Governor has received any remuneration or waived payments from the College or its subsidiaries during the year.

The Colleges' Partnership Ltd

Educational support payments and payments for the provision of operational services (Human Resources and Finance) from The Colleges' Partnership to Wiltshire College & University Centre totalled £337k (2021/22: £1011k)

28. Amounts Disbursed as Agent (Group and College)

Learner support funds	2023	2022
	£000s	£000s
Funding body grants		
Hardship Support	418	406
Childcare	6	23
Residential bursaries	88	161
Other	112	54
	<u>624</u>	<u>644</u>
	<u><u>624</u></u>	<u><u>644</u></u>

Funding body grants are available solely for students. Usually, the College only acts as a paying agent. In these circumstances, the grants and related disbursements have therefore been excluded from the income and expenditure account, other than when the College has directly incurred expenditure itself. The amounts disbursed are released to the I&E during the year.